



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/668,255	09/21/2000	Michael H. Evelyn	13085-02001	1374

7590 11/10/2003

John F. Hayden
Fish & Richardson P.C.
11th Floor
1425 K Street, N.W.
Washington, DC 20005-3500

EXAMINER

SHIH, SALLY

ART UNIT	PAPER NUMBER
----------	--------------

3624

DATE MAILED: 11/10/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/668,255

Applicant(s)

EVELYN ET AL.

Examiner

Sally Shih

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 September 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-34 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☐ Claim(s) _____ is/are rejected.
- 7) ☒ Claim(s) 8,10-12,14,27,30,31 and 33 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 2.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

1. This application has been reviewed. Original claims 1-34 are pending. The rejections cited are as stated below:

Claim Objections

2. Claims 8, 10, 11, 12, 14, 27, 30, 31 and 33 objected to because of the following informalities: these claims contain either quotations, “ “ or parenthesis () explaining certain terms in the claims. The explanations should be disclosed in the specification, not in the claims. Appropriate correction is required.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-4, 6-13, 15-18, 20-23, 25-32 and 34 are rejected under 35 U.S.C. 102(e) as being anticipated by Odom et al. (United States Patent Number 6,058,379).

Claims 1, 15, 20 and 34: Odom et al. disclose a computer implemented method, corresponding apparatus, server node and computer program for conducting an auction of securities on the Web, comprising the steps of

providing a bid mechanism whereby bidders are rewarded for anonymously revealing their bids early (col. 10, lines 49-59);

providing an allocation of the securities which allows winning bidders to pay a single market-clearing price that sells out the securities (col. 10, lines 61-64); and

providing a system whereby all participants can monitor the auction in real time (col. 10, lines 38-49).

Claims 2, 16 and 21: Odom et al. disclose the method of claim 1, corresponding apparatus and server node wherein the securities comprise equity or debt securities (col. 10, line 49).

Claims 3, 17 and 22: Odom et al. disclose the method of claim 1, corresponding apparatus and server node wherein the securities comprise commodities (col. 10, line 49).

Claims 4, 18 and 23: Odom et al. disclose the method of claim 3, corresponding apparatus and server node wherein the commodities comprise gold, silver or other commodities traded on a licensed commodity exchange (col. 10, line 49).

Art Unit: 3624

Claims 6 and 25: Odom et al. disclose the method of claim 1 and corresponding server node wherein the bid mechanism, whereby bidders are rewarded for anonymously revealing their bids early, comprises the additional act of entering a competitive bid comprising a desired quantity of securities and two spreads over a benchmark treasury security (col. 10, lines 61-64).

Claims 7 and 26: Odom et al. disclose the method of claim 6 and corresponding server node wherein the two spreads over a benchmark treasury security are stated in terms of one basis point increments (col. 8, lines 3-16).

Claims 8 and 27: Odom et al. disclose the method of claim 6 and corresponding server node wherein two spreads over a benchmark treasury security comprise a first spread component and a second spread component, and wherein the first spread component will be revealed to other bidders or investors over the web by the openbook system, but identity of the investor who entered the first spread component will be anonymous (that is, not disclosed by the openbook system) (col. 12, lines 36-45).

Claims 9 and 28: Odom et al. disclose the method of claim 8 and corresponding server node wherein the second spread component may not be less than the first spread component by more than a protected spread range (col. 8, lines 3-16).

Art Unit: 3624

Claims 10 and 29: Odom et al. disclose the method of claim 9 and corresponding server node wherein the second component (designated the "final bid") will not be revealed to other bidders or investors until after the auction ends (fig. 5).

Claims 11 and 30: Odom et al. disclose the method of claim 8 and corresponding server node wherein the first spread component (the "initial bid") will not be part of a firm offer by a bidder or investor at the time of auction close (fig. 5).

Claims 12 and 31: Odom et al. disclose the method of claim 6 and corresponding server node wherein the bidder may enter a bid in addition to or in place of a competitive bid (designated a "non-competitive" bid) comprising a desired quantity of securities and a spread equal to a designated minimum spread over the benchmark treasury security (figs. 5 and 8).

Claims 13 and 32: Odom et al. disclose the method of claim 12 and corresponding server node wherein new competitive bids and new non-competitive bids will be marked with a time stamp at a time when a confirmation of a bid is received by the openbook system (fig. 5 and 8; col. 6, lines 45-58).

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

Art Unit: 3624

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 5, 14, 19, 24 and 33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Odom et al. (United States Patent Number 6,058,379) in view of Mori et al. (United States Patent Number 6,044,363).

Claims 5, 19 and 24: Odom et al. teach an auction method, apparatus and server node. However, Odom et al. do not teach an auction method, apparatus and server node wherein the bid mechanism comprises an open Dutch auction process. Mori et al. teach the use of an open Dutch system (figs. 1 and 20; col. 10, lines 24-30). It would have been obvious to one of ordinary skill in the art to modify Odom's teaching include an open Dutch auction system it is easier to organize the bids in a descending order instead of in a random order.

Claims 14 and 33 Odom et al. teach an auction method, apparatus and server node. However, Odom et al. do not teach an auction method, apparatus and server node wherein the bid mechanism comprises an open Dutch auction process. Mori et al. teach the steps of conducting an open Dutch auction for a specific security auction deal by means of the openbook system web-based system, wherein a quantity of securities to be auctioned is designated a "deal size" (figs. 1 and 20; col. 10, lines 24-30); at the end of the auction arranging approved bids from lowest to highest final bid price or spread component of a non-competitive bid (figs. 1 and 20; col. 10, lines 24-30); designating bids as acceptable bids, all approved bids starting with a lowest final bid or lowest spread component for a non-competitive bid until an aggregate quantity of

Art Unit: 3624

securities requested by the approved bids is greater than or equal to the deal size (figs. 1 and 20; col. 2, lines 52-62; col. 10, lines 24-30); designating as a "clearing spread", the lowest spread component that results in the aggregate quantity of securities requested by the approved bids being greater than or equal to the deal size (figs. 1 and 20; col. 2, lines 52-62; col. 10, lines 24-30); arranging all acceptable bids in order from earliest to latest time stamp value (figs. 1 and 20; col. 10, lines 24-30); and allocating the securities to the acceptable bidders according to rules agreed upon prior to beginning the auction (figs. 1 and 20; col. 2, lines 63-67; col. 3, lines 1-7; col. 10, lines 24-30). It would have been obvious to one of ordinary skill in the art to modify Odom's teaching include an open Dutch auction system it is easier to organize the bids in a descending order instead of in a random order.

Conclusion

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. USPN 6,269,343 B1, USPN 6,604,089 B1, USPN 6,606,607 B1, USPN 6,631,356 B1, USPN 6,493,683 B1, USPN 6,519,570 B1, and KR 377239B are cited of interest.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sally Shih whose telephone number is 703-305-8550. The examiner can normally be reached on Flexible Schedule.

Art Unit: 3624

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

sys



HANI M. KAZIMI
PRIMARY EXAMINER